

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TENNESSEE

IN RE:

APPALACHIAN OIL COMPANY, INC.

Debtor

*
*
*
*
*

CASE NO. 2:09-bk-50259
Chapter 11

**RESPONSE TO MOTION OF PREMIUM FINANCING
SPECIALISTS, INC. FOR RELIEF FROM THE AUTOMATIC STAY OR,
ALTERNATIVELY, FOR ADEQUATE PROTECTION**

The Debtor, Appalachian Oil Company, Inc. (the "Debtor" or "APPCO"), in response to the Motion of Premium Financing Specialists, Inc. ("Premium Financing") for Relief From the Automatic Stay or, Alternatively, For Adequate Protection (the "Motion"), responds as follows.

The Debtor does not oppose the Motion as filed. However, the Debtor requests that Premium Financing seek to terminate the applicable policies, the premiums which were financed through financing arrangement at issue effective February 9, 2009, the date the Debtor's voluntary bankruptcy petition was filed, and seek any premium refund that may be available to Premium Financing and the Debtor upon such effective cancellation date. The Debtor will cooperate with efforts to cancel the policies retroactive to February 9, 2009.

HUNTER, SMITH & DAVIS, LLP

By: /s/Mark S. Dessauer
Mark S. Dessauer, Esq.
TN BPR NO. 010421
Attorney for Debtor
Post Office Box 3740
Kingsport, Tennessee 37664
(423) 378-8840; Fax: (423) 378-8801

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on May 13, 2009 the **Response to Motion of Premium Financing Specialists, Inc. for Relief From the Automatic Stay or, Alternatively, For Adequate Protection** was filed electronically. The following parties will receive copies of this document. Notice of this filing will be sent by operation of the Court's electronic filing system to all parties indicated on the electronic filing receipt. All other parties, if any, have been served by hand delivery, overnight delivery, facsimile transmission, or by mailing a copy of same by United States Mail, postage prepaid.

Maurice K. Guinn, Esq.
Gentry, Tipton & McLemore, P.C.
Post Office Box 1990
Knoxville, Tennessee 37901-1990
Attorney for Premium Financing Specialists, Inc.

Patricia Foster, Esq.
Attorney for the U. S. Trustee
800 Market Street
Suite 114, Howard Baker U. S. Courthouse
Knoxville, Tennessee 37902

John F. Teitenberg, Esq.
Frost Brown Todd, LLC
424 Church Street, Suite 1600
Nashville, Tennessee 37219-2308
Counsel for Committee of Unsecured Creditors

Douglas L. Lutz, Esq.
Frost Brown Todd, LLC
2200 PNC Center, 201 East Fifth Street
Cincinnati, Ohio 45202
Counsel for Committee of Unsecured Creditors

Brent C. Strickland, Esq.
Stephen B. Gerald, Esq.
Whiteford, Taylor & Preston, LLP
Seven Saint Paul Street
Baltimore, Maryland 21202
Counsel for Committee of Unsecured Creditors

HUNTER, SMITH & DAVIS, LLP

/s/ Mark S. Dessauer
Mark S. Dessauer

DESSAUER: A-B: APPALACHIAN OIL
APPCO.85049